2019 ASSESSMENT METHODOLOGY

RESIDENTIAL COST

A summary of the methods used by the City of Edmonton in determining the value of properties in Edmonton using the residential cost approach for assessment purposes.

edmonton.ca/assessment

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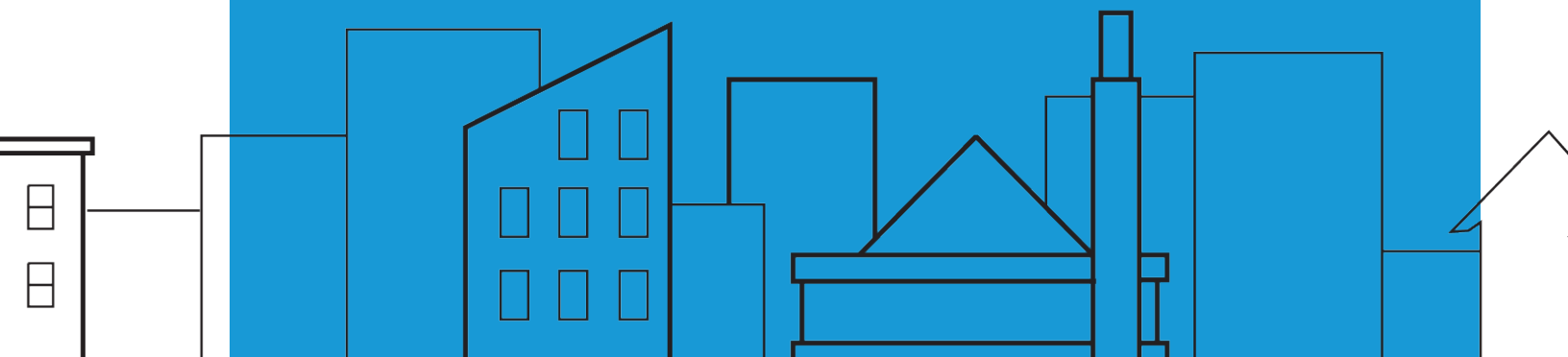

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Scope

This guide is an aid in explaining how residential cost properties are valued for assessment purposes.

The guide is intended as a tool; it is not intended to replace the assessor's judgment in the valuation process.

This icon signifies when legislation is quoted.

Introduction

Property assessments in the City of Edmonton are prepared in accordance with the requirements of the Municipal Government Act, RSA 2000, c M-26 (hereinafter "MGA") and the *Matters Relating to Assessment and Taxation Regulation,* Alta Reg 220/04*,* (hereinafter "*MRAT*"). The MRAT regulation establishes the valuation standard to be used, defines the procedures to be applied, and proposes objectives for the quality to be achieved in the preparation of assessments. The legislation requires the municipality to prepare assessments that represent *market value* by application of the *mass appraisal process.* All assessments are expected to meet quality standards prescribed by the province in the regulation.

In summary, a property assessment is:

- an estimate of the property's market value on July 1, 2018
- prepared using mass appraisal
- an estimate of the value of the fee simple estate in the property
- a reflection of the property's condition on December 31, 2018
- prepared assuming typical market conditions on the open market by a willing seller to a willing buyer

The assessment is a prediction of the value that would result when these specific, defined conditions are met.

While there are many forms of ownership, the legislation requires the City of Edmonton to assess the fee simple estate. The fee simple estate is unencumbered by any other interest or estate, and subject only to the limitations of government.

> ***fee simple*** *– in land ownership, complete interest in a property subject only to governmental powers*
> *Glossary for Property Appraisal and Assessment*, p. 56

Both *market value* and *property,* along with additional terms are defined in the MGA and *MRAT* :

*s.284(1)(r) "**property**" means*
(i) a parcel of land
(ii) an improvement, or
(iii) a parcel of land and the improvements to it

MGA .284(1)(r)

*s.1(n) "**regulated property**" means*
(i) land in respect of which the valuation standard is agricultural use value,
(ii) a railway,
(iii) linear property, or
(iv) machinery and equipment

MGA s.1(n)

*s.9(1) When an assessor is preparing an assessment for a parcel of land and the improvements to it, the **valuation standard** for the land and improvements is market value unless subsection (2) or (3) applies*

MRAT s.9(1)

*s.1(1)(n) "**market value**" means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer*

MGA s.1(1)(n)

*s.5 An assessment of property based on **market value***
(a) must be prepared using mass appraisal,
(b) must be an estimate of the value of the fee simple estate in the property, and
(c) must reflect typical market conditions for properties similar to that property

MRAT s.5

s.289(2) Each assessment must reflect
*(a) the characteristics and physical condition of the property on **December 31** of the year prior to the year in which a tax is imposed*

MGA s.289(2)(a)

*s.6 Any assessment prepared in accordance with the Act must be an estimate of the value of a property on **July 1** of the assessment year*

MRAT s.6

*s.1(g) "**mass appraisal**" means the process of preparing assessments for a group of properties using standard methods and common data and allowing for statistical testing*

MRAT s.1(g)

Mass Appraisal

Mass appraisal is the legislated methodology used by the City of Edmonton for valuing individual properties, and involves the following process:

- properties are stratified into groups of comparable properties
- common property characteristics are identified for the properties in each group
- a uniform valuation model is created for each property group

> ***property characteristic**: A feature that helps to identify, tell apart, or describe recognizably, a distinguishing mark or trait*
>
> *www.thefreedictionary.com*

> *31(c) "**valuation model**" means the representation of the relationship between property characteristics and their value in the real estate marketplace using a mass appraisal process*
>
> *MRAT s.31(c)*

The following two quotations indicate how the International Association of Assessing Officers distinguishes between mass appraisal and single-property appraisal:

> *… "single-property appraisal is the valuation of a particular property as of a given date: mass appraisal is the valuation of many properties as of a given date, using standard procedures and statistical testing."*
>
> *… "Also, mass appraisal requires standardized procedures across many properties. Thus, valuation models developed for mass appraisal purposes must represent supply and demand patterns for groups of properties rather than a single property."*
>
> *Property Appraisal and Assessment Administration*, pg.88-89.

For both mass appraisal and single-property appraisal, the process consists of the following stages:

	Mass Appraisal	Single Appraisal
Definition and Purpose	Mass appraisal is used to determine the assessment base for property taxation in accordance with legislative requirements.	The client specifies the nature of the value to be estimated, including rights to be valued, effective date of valuation, and any limiting conditions.
Data Collection	Mass appraisal requires a continuing program to maintain a current database of property characteristics and market information.	The extent of data collection is specific to each assignment and depends on the nature of the client's requirements.
Market Analysis	Mass appraisal is predicated on highest and best use.	Market analysis includes the analysis of highest and best use.
Valuation Model	Valuation procedures are predicated on groups of comparable properties.	Subject property is the focus of the valuation. The analysis of comparable properties is generally six or less.
Validation	The testing of acceptable analysis and objective criteria.	The reliability of the value estimate is more subjective. Acceptability can be judged by the depth of research and analysis of comparable sales.

Valuation Models

A valuation model creates an equation of variables, factors and coefficients that explains the relationship between estimated market value and property characteristics. An assessed value is calculated by applying the appropriate valuation model to individual properties within a property type.

*S.31(a) "**coefficient**" means a number that represents the quantified relationship of each variable to the assessed value of a property when derived through a mass appraisal process*

*(b) "**factor**" means a property characteristic that contributes to a value of a property;*

*(d) "**variable**" means a quantitative or qualitative representation of a property characteristic used in a valuation model*

***MRAT**, s.31 (a), (b) and (d)*

s.33(3) …information prescribed … does not include coefficients

***MRAT**, s.33(3)*

The **Factors** and **Variables** are reported on the Property Assessment Detail Report (see Sample Assessment Detail Report). "**Type"** is also indicated and specifies whether the variable applies to the account, unit, site or a given building:

- Account - An adjustment that is applied to a property account. A property account includes all of the improvements and site.
- Unit - An adjustment that is applied to a condo unit.
- Site - An adjustment that is applied to the site.
- Building - And adjustment that is applied to the building.

Valuation Model	● variables are created from property characteristics ● analysis of how variables affect market value ● factors and coefficients are determined ● the resulting valuation models are applied to property characteristics

Approaches to Value

The approaches to determine market value are the direct sales, income, and cost approaches. Each emphasizes a particular kind of market evidence.

Direct Sales Approach	Typical market value (or some other characteristic) is determined by referencing comparable sales and other market data. It is often used when sufficient sales or market data is available. It may also be referred to as the Sales Comparison Approach.
Income Approach	This approach considers the typical actions of renters, buyers and sellers when purchasing income-producing properties. This approach estimates the typical market value of a property by determining the present value of the projected income stream. Often used to value rental or leased property.
Cost Approach	Typical market value is calculated by adding the depreciated replacement cost of the improvements to the estimated value of land. It is often used for properties under construction or when there is limited market data available.

Property Groups

The use of a property determines the property groupings and the valuation model applied.

***use**: means the purpose or activities for which a piece of land or its buildings are designed, arranged, developed or intended, or for which it is occupied or manitained.*
***Zoning Bylaw No. 12800**, 207, s.6.117*

Residential

Residential properties are the lands and improvements, which are intended or developed to be self-contained dwelling units having one or more rooms accommodating sitting, sleeping, sanitary facilities, and a principal kitchen for food preparation, cooking and serving.

This guide will be used for residential properties that contain three or fewer dwelling units and are under construction.

Partially Constructed Residential Properties

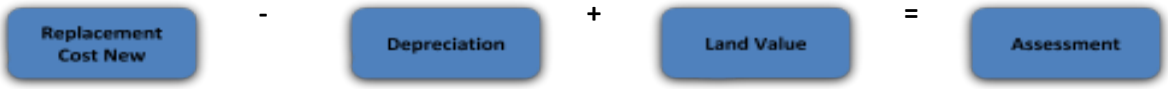
Residential properties that are under construction are valued using the cost approach. This approach is used because they are not generally actively traded in the marketplace.

For residential properties that are completed, please see the 2019 Residential Improved Properties (1 to 3 units) Assessment Methodology Guide available online at www.edmonton.ca.

Cost Approach

The cost approach produces the most accurate assessment for properties that are not actively traded in the marketplace due to their features, use, or when a property is under construction.

The cost approach rationale is that an informed purchaser will pay no more for a property than the cost of building a similar one. The cost approach determines the replacement cost new of improvements less depreciation plus land value. The replacement cost and depreciation is determined using cost manual rates and a schedule for determining depreciation. The land value of a property is determined using the direct sales approach.



Replacement Cost New: *the cost, including material, labor, and overhead, that would be incurred in constructing an improvement having the same utility to its owner as a subject improvement, without necessarily reproducing exactly any particular characteristics*

***Glossary for Property Appraisal and Assessment**, p.144*

Depreciation: *loss in value of an object, relative to its replacement cost new*

***Glossary for Property Appraisal and Assessment**, p.49*

Land

Please see the 2019 Residential Land Assessment Methodology available online at www.edmonton.ca.

Improvements

The City primarily uses the Alberta 2001 Residential Cost Manual (also known as the Provincial Manual) to determine the replacement cost new of improvements under construction. The majority of the rates have been incorporated into the City of Edmonton assessment system (TACS) with some modification to better reflect the large inventory of residential properties located within the City of Edmonton. Assessors also rely on an internal Residential Cost Manual to assist with data entry and provide consistency to the costing process.

The City of Edmonton internal Residential Cost Manual can be reviewed by submitting an email

appointment request to assessment@edmonton.ca or by calling 311 (or 780-442-5311, if calling outside of Edmonton).

Depreciation

Depreciation, defined as a "loss in value from any cause" is incorporated into the replacement cost new thus decreasing the value of the improvement. During the course of its economic life an improvement depreciates due to physical deterioration, functional obsolescence or economic obsolescence. Depreciation of an improvement is influenced by the level of maintenance; technology, advances in design and construction materials; and changes in economic conditions. In a mass appraisal system normal depreciation - both deterioration and normal functional obsolescence - is determined using standard age life tables and standard remaining life tables. By using standard rates to calculate replacement cost new and to measure depreciation, the system is more uniform and consistent. The market building class of an improvement determines both the replacement cost rates and the depreciation tables that are applicable. Normal depreciation is determined by the effective age of the improvement. The standard depreciation tables are used to determine normal physical deterioration and functional obsolescence. Additional losses of value may be applied if abnormal depreciation or economic obsolescence - which is not included in the standard depreciation tables - is part of an improvement.

Alberta 2001 Residential Cost Manual

This manual is produced by Alberta Municipal Affairs to be used by municipalities and stakeholders. It uses the full cost pricing of all typical building components, including conventional markup. It can be used to provide an equitable comparison of similar structures but it may not represent specific construction costs or actual costs incurred by the property owner.

Base rates, installation rates, adjustments and unit costs are typical 2001 construction replacement costs in the Edmonton area which are modified to the desired assessment year using modifiers also provided by Alberta Municipal Affairs. Base rates are values per square foot reflecting the quality of the structure. Typical quantities and qualities for material and labour are used to establish unit costs which are then used to determine base rates. Installation rates are costs for installing materials and adjustments are made for property improvement characteristics such as number of fireplaces on the property.

Age life tables are used to determine normal depreciation including functional obsolescence.

> ***Functional Obsolescence:*** *loss in value of a property resulting from changes in tastes, preferences, technical innovations, or market standards.*
>
> ***Glossary for Property Appraisal and Assessment****, p.59*

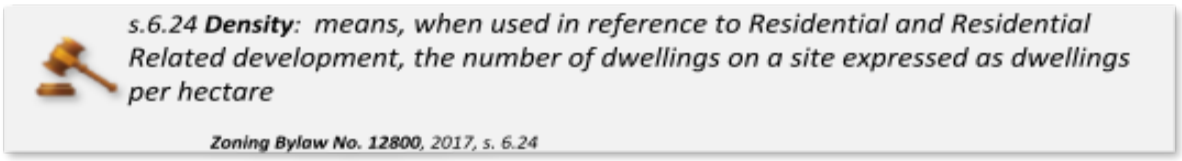
A copy of the Alberta 2001 Residential Cost Manual can be reserved and borrowed from the Alberta Government Library using the link below and entering 'Alberta 2001 Residential Cost Manual' in the keyword search field
https://neos.library.ualberta.ca/uhtbin/cgisirsi/?ps=NoY0Fie5GA/AGINTERNET/57100033/60/1180/X

A copy of the Alberta 2001 Residential Cost Manual can be purchased from the Queen's Printer using the link below and entering ' 2001 Residential Cost Manual' in the keyword search field
http://www.qp.alberta.ca/Laws_Online.cfm

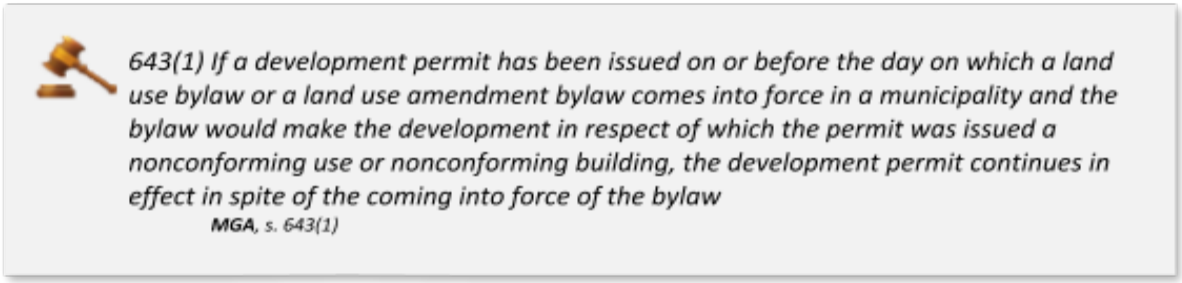
Zoning

Zoning regulates the use and development of a property and is set by Edmonton Zoning Bylaw, No. 12800. For a zone description, refer to the Zone Chart in the appendix.

Residential land use zones vary in part due to density.



Not all properties conform to the zoning use set out in the Zoning Bylaw. In these cases, an effective zoning is applied to reflect the current use of the property. The effective zoning may differ from the actual zoning when the current use differs from the Zoning Bylaw (e.g., a legal non-conforming use).



Factors Affecting Value

The following section defines the factors and related variables that affect the value of improvements within the valuation model.

Air Conditioning: Air conditioning is a central system for maintaining a cool atmosphere in a building typically by controlling the humidity, ventilation and temperature levels.

Brick exterior: All exterior walls of a house have brick or stone finish.

Building areas

Building area measurements are based on the external building envelope measurements, less any internal missing floor area (Stairwells are considered as assessable net area and are not removed as part of internal missing floor area). The following building areas are factored into the assessment:

- **Building net area:** Building net area is the total above-grade liveable area of a house.
- **Basement area:** The basement is the area of a house that is either completely or partially below the ground floor.
- **Basement finished area:** A house has a finished basement. If a basement has been designed to function as a habitable space, either during construction or at a later point, we consider it to be finished.
- **Partial basement area:** A partial basement means that only a portion of the total ground floor is located above it. The majority of partial basements are found in homes built prior to 1950. They were usually created to only accommodate a furnace and are typically used for storage.
- **Lower level area:** A house has a lower level area. In split-level houses, this floor is located partially below grade.
- **Lower level finished area:** A house has a finished lower level area. If this area has been designed to function as a habitable space, either during construction or at a later point, we consider it to be finished.
- **Loft area:** A loft is an open space in a house usually without any internal walls.
- **Attached garage area:** Garages are walled, roofed structures typically with large rolling doors built for storing vehicles.
  An attached garage is built on grade as part of the structure of a house. It usually shares a roof or at least one common wall with a house.
- **Detached garage area:** Garages are walled, roofed structures typically with large rolling doors built for storing vehicles.
  A detached garage is a stand-alone structure.
- **Basement garage area:** Garages are structures typically with large rolling doors built for storing vehicles.
  A basement garage is built as part of the basement of a house—partially or completely below grade.
- **Lower level garage area:** Garages are structures typically with large rolling doors built for storing vehicles.
  A lower level garage is built as part of the lower level of a house—partially or completely below grade.
- **Detached garage upper area:** A detached garage on a property has an upper area.

- **Attached carport area:** Carports are roofed, open structures without enclosed walls that are built to offer limited protection from the elements for vehicles or other storage.
  An attached carport is physically attached to a house, garage or another structure.
- **Detached carport area:** Carports are roofed, open structures without enclosed walls that are built to offer limited protection from the elements for vehicles or other storage.
  A detached carport is a stand-alone structure.
- **Pool building area:** A swimming pool building is built with a purpose to house an indoor swimming pool.
- **Pool area:** Swimming pools are structures designed for swimming in.
- **Solarium area:** Solariums are glass-enclosed rooms (with glass walls and roof) that form part of an extension to an original house.
- **Sunroom area:** Sunrooms are glass-enclosed rooms covered by a conventional roof that form part of an extension to an original house.
- **Enclosed veranda area:** A property has an enclosed veranda. An enclosed veranda is usually protected by a roof and extends along an exterior wall of any storey of a house. The City doesn't assess enclosed verandas of three square metres and smaller.
- **Open veranda area:** An open veranda is an unheated, open-air, outdoor space that has railing, is protected by a roof and extends along an exterior wall of any storey of a house. The City doesn't assess enclosed verandas of three square metres and smaller.

Built-in audio/visual systems

- **Home entertainment system**
  A house has dedicated electrical wiring for the purpose of connecting a TV or projection screen to a built-in stereo system.
- **Home theatre**
  A house has dedicated space for a theatre-style seating arrangement—usually single-tiered and on a raised theatre-style floor—and dedicated electrical wiring for audio-visual systems.
- **Private cinema**
  A house has a dedicated room for a theatre-style seating arrangement on multi-tiered theatre-style floors. That room could have dedicated electrical wiring for audio-visual systems, acoustic soundproofing, custom lighting and architectural features.

Condition of improvement

The provincial manual describes each property considering the condition, desirability and utility (CDU) of the improvements. For each year of age life the tables show a range of ratings using these criteria.

- **Poor**: House or garage is considered borderline derelict—with many items deteriorated to a point where major repairs and replacements are needed to keep the improvement habitable.
- **Fair**: House or garage shows that general maintenance, typical for the age of the improvement, has not been performed. As a result, the improvement shows the signs of structure decay, has reduced utility and requires rehabilitation.
- **Average**: House or garage shows that general maintenance, typical for the age of the improvement, has taken place. Some minor repairs or rehabilitation of some components may be needed.
- **Good:** The house or garage has been very well maintained for its age although slight evidence of deterioration in minor components; property has a high utility.

Effective Year Built
The effective year built is the age of a house adjusted for additions or the age of the foundation—when the blending of the original area with the new area is required.

When the effective year built differs from the original year built, property assessors use the effective age in determining the value of the property.

It allows not only to compare the subject property to a typical property built that year but also take into consideration the overall usability and condition of the house.

Elevators: Elevator is a type of enclosed and automated vertical transportation apparatus built into the structure of the house to move people between floors. Each additional stop increases the value applied to the elevator.

Fireplaces:

- **Built-in electric fireplace:** an electric heater that is designed to resemble a traditional wood or natural gas fireplace
- **2 sided gas:** gas fireplace that allows for two sided viewing
- **3 sided gas:** gas fireplace that allows for three sided viewing
- **Freestanding metal:** stand alone fireplace can be wood, propane or gas
- **Gas fireplace (zero clearance):** a natural gas unit that allows the burning of fuel for heat in a dwelling; exhaust is vented directly outside (no chimney); zero clearance refers to the allowable distance between the combustible material and the unit
- **Masonry:** fireplace that has an interior brick or stone finish and an exterior brick or stone chimney; traditionally is wood burning but may have been altered to include a wood or gas insert
- **Wood fireplace (zero clearance):** a wood burning unit that is typically flush with the interior wall; zero clearance refers to the allowable distance between the combustible material and the unit

Heating System: The base rate includes forced air or equivalent. The following system is superior and require a positive adjustment:

- **Geothermal System:** A system that uses ground-source heat pumps to act as either a heating or cooling system.

Market Building Class (MBC): Market building class describes an architectural type of a house.
Detached structures 1, 1-1/2, 1-3/4 storey

- 1 STY BSMT – 1 storey (bungalow) with basement
- 1 STY NOBSMT – 1 storey (bungalow) without basement
- BILEVEL – 1 storey, split-level entry, with basement
- SPLITLEVEL CRWL – 1 storey, split levels, with crawlspace
- SPLITLEVEL – 1 storey, split levels, with no crawlspace
- 1.5 STY BSMT – 1-1/2 storey with basement
- 1.5 STY NOBSMT – 1-1/2 storey without basement
- 1.75 STY BSMT – 1-3/4 storey with basement
- 1.75 STY NOBSMT – 1-3/4 storey without basement

Detached structures 2, 2-1/2, 2-3/4 storey

- 2 STY BSMT – 2 storey with basement

- 2 STY NOBSMT – 2 storey without basement
- 2.5 STY BSMT – 2-1/2 storey with basement
- 2.5 STY NOBSMT – 2-1/2 storey without basement
- 2.75 STY BSMT – 2-3/4 storey with basement
- 2.75 STY NOBSMT – 2-3/4 storey without basement

Detached structures 3 storey

- 3 STY BSMT – 3 storey with basement
- 3 STY NOBSMT – 3 storey without basement

Duplex structures 1, 1-1/2 storey

- 1STY BSMT DUP SXS – 1 storey duplex, side by side, with basements
- 1STY NOBSMT DUP SXS - 1 storey duplex, side by side, without basements
- DUP BILEVEL SXS – 1 storey duplex, side by side, split-level entries, with basements
- SPLT CRWL DUP SXS - 1 storey duplex, split levels, with crawlspaces
- SPLT DUP SXS - 1 storey duplex, split levels, with no crawlspaces
- 1 STY FOURPLX BSMT - 1 storey duplex, back to back, with basements
- 1 STY FOURPLX NOBSMT - 1 storey duplex, back to back, without basements
- BILEVEL FOURPLX - 1 storey duplex, split-level entries, back to back, with basements
- 1.5 STY DUPLEX – 1-1/2 storey duplex with basements
- 1.5 STY DUP NOBSMT - 1-1/2 storey duplex without basements

Duplex structures 2 storey

- 2 STY BSMT DUP SXS - 2 storey duplex, side by side, with basements
- 2 STY NOBSMT DUP SXS - 2 storey duplex, side by side, without basements
- 2 STY FOURPLX BSMT - 2 storey duplex, back to back, with basements
- 2 STY FOURPLX NOBSMT - 2 storey duplex, back to back, without basements

Duplex structures 3 storey

- 3 STY BSMT DUP SXS - 3 storey duplex, side by side, with basements
- 3 STY NOBSMT DUP SXS - 3 storey duplex, side by side, without basements
- 3 STY FOURPLX BSMT - 3 storey duplex, back to back, with basements
- 3 STY FOURPLX NOBSMT - 3 storey duplex, back to back, without basements

Multi-plex structures

- MULT SXS BSMT – 1 storey multi-plex, side by side, with basements
- MULT SXS BILEVEL - storey multi-plex, side by side, split-level entries, with basements
- MULT SXS SPLT CRWL – 1 storey multi-plex, side by side, split levels, with crawlspaces
- 2 STY MULTI SXS - 2 storey multi-plex, side by side, with basements
- 2 STYMULT BK2BK BST - 2 storey multi-plex, back to back, with basements
- 3 STY MULT SXS BSMT - 3 storey multi-plex, side by side, with basements

Miscellaneous structures

- GARAGE – garage accessory building
- ROWHOUSING – row of houses joined by common walls

Quality Classifications

The Alberta 2001 Residential Cost Manual categorizes construction costs within different eras of construction. For purposes of consistency the City of Edmonton has chosen to use the classification of Single Family After 1940 as the baseline.

- **Fair (03)**: This class satisfies present demands for moderate cost energy efficient housing. The

exterior usually has a common style and is basically square or rectangular. It has an adequate floor plan, finishes are fair to average quality materials, and there is little or no attention given to decorative features.

- **Standard (04)**: This quality represents average project housing that meets building requirements for the era. The exterior is a typical style that is generally rectangular. The floor plan is functional, and finishes are normally limited to standard quality pre-manufactured materials with a minimum number of decorative features.
- **Semi-custom (05)**: This quality is a standard project housing upgraded with some better finishing materials. More attention to the exterior details such as breaks in the roof line may be evident. The floor plan is functional and usually includes one or more built-in features. Finishes are average to good quality materials with a minimum number of decorative features and interior construction features.
- **Custom (06)**: This quality represents good housing exceeding building requirements for the era. It may be contract built but is usually a project home. The exterior has an attractive style and often there are breaks in the roof line. The floor plan is functional, with an open design concept creating a sense of spaciousness. Architectural design is used in living areas of all “move up” home construction. Finishes are of good quality materials and workmanship. A number of interior features will be present.
- **Good custom (07)**: This class represents good to expensive quality, energy efficient housing that is normally custom or contract built and, on occasion, may be constructed under the supervision of an architect. The exterior style may be innovative and breaks in the roof line are common. The interior design often shows originality, includes built-in features and has spacious rooms. A number of interior features will be present. Attention to detail is evident. Finishes in this quality are normally the best pre-manufactured or good to expensive materials.
- **Expensive (08)**: This quality represents unique design and style in housing exceeding building requirements for the era. It may be contract built under the supervision of an architect and is commonly built on large sites in prime residential neighborhoods. The exterior often has large window areas and a unique roof style. Exterior finishes are selected for their attractiveness and durability, and may consist of limited amounts of costly ornamentation. The interior design is innovative with a considerable number of built-in features. Rooms are usually spacious and the floor plan often includes special purpose rooms. Decorative features and finishes are normally selected from expensive materials and attention to detail is evident.
- **Luxurious (09)**: This quality represents the ultimate in housing exceeding building requirements for the era. It is contract built under the supervision of an architect. It is situated on large exclusive sites, and is characterized by an abundance of large windows and a unique roof style. The exterior is innovative with finishes selected for attractiveness and durability including costly ornamentation. The interior design is unique and exquisite to meet individual specifications and taste. Rooms are spacious and floor plans include special purpose rooms including many built-in features. Finishes are of luxurious quality materials and may be imported. Decorative features and workmanship is the highest quality with elaborate detail.

Reclamation System Indoor Pool: indoor pools requires a reclamation system which provides air dehumidification, heat reclamation, and air exchange.

Roof Finish
Traditional pitched roofing systems could have the following finishes: asphalt, wood shake or shingle, untreated pine shakes, metal, slate, concrete or clay tile. Flat roof systems could have the following finishes: vinyl, rubber or tar and gravel.

Premium roof finishes are more expensive than typical roofing materials. As such, the costing of these finishes are weighted more in the valuation system. The following are determined to be premium roof finishes: wood shake or shingle,concrete or clay tile, metal, slate and all flat roof systems.

Secondary suite finishes
A secondary suite is a separate liveable area with its own cooking, sleeping and bathroom facilities and its own entrance (either from a common indoor landing or directly from the exterior of the structure. The following outlines how secondary suites are classified in the City of Edmonton for assessment purposes:

- **Basement, main, upper or lower floor suite finishes**:
  These types of secondary suites are finished areas located inside the main dwelling and can be located in the basement, as part of the main floor, an upper floor, or the lower level (of a split-level house)
- **Garage suite finishes:** This type of secondary suite is a finished dwelling area located above an attached or detached garage; or at grade level of a detached garage. These suites will have an entrance either from a common landing or directly from the exterior of the garage, separate from the vehicle entrance to the garage.
- **Garden suite finishes:** This type of secondary suite is a self-contained finished dwelling that is separate from the principal dwelling.

Spa pools: Also known as lap pools or swim spas. This type of pool is primarily used for relaxation, exercise or therapeutic purposes. They are temperature controlled and circulate air at high speeds. They vary in construction from pre-manufactured acrylic coated fiberglass to custom designed reinforced concrete. Rates include electrical and plumbing connections. They are distinct from a hot tub mainly due to size, shape and ability to generate a constant strong current; hot tubs are not assessable.

Walkout basement type
A house has a walkout basement of the following type.

- **Full**
  Basement is part of a house built on a slope. One side of the basement is fully exposed, situated above grade and has doors and windows to the outside.
- **Partial**
  Basement is part of a house built on a slope. Part of the basement is partially exposed, situated above grade and has doors and windows to the outside.
- **Forced**
  Basement is part of a house not built on a slope. The yard has been dug down to fully expose one of the basement walls.
- **Forced partial**
  Basement is part of a house not built on a slope. The yard has been dug down to partially expose one of the basement walls.

Year built
This is the year a house or garage was originally constructed. If construction spanned over several years, this is the first year of construction.

Adjustments

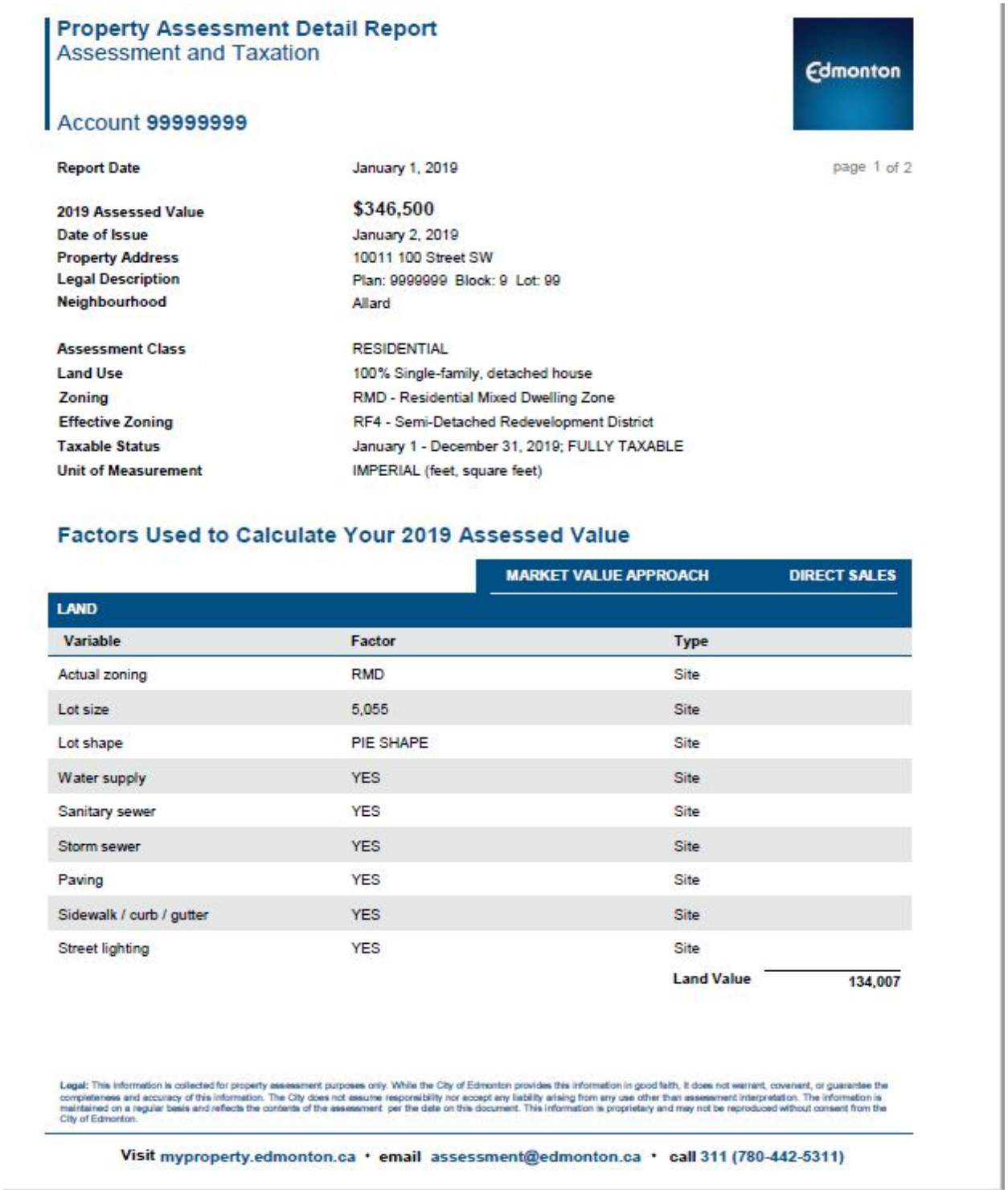
Auxiliary buildings
Auxiliary buildings include permanent structures not typically found on most residential properties. They could include barns, quonsets, greenhouses, warehouses and other storage structures typically found on rural residential properties but not used in farming operations.

Assessors value auxiliary buildings separately using the cost approach and then add that value to the total value of the property.

Derelict property
An improvement may constitute a derelict property where the improvement is unfit for occupancy and demonstrates severe deterioration to its physical condition. Derelict properties will generally have exterior doors and windows boarded up, and will often be uninhabitable on the basis of an order from Alberta Health Services, a Safety Codes Officer, or the City of Edmonton Sustainable Development Department, Community Standards Branch, or Fire Rescue Service.

Sample Assessment Detail Report

On the sample shown below, the factors and variables used to calculate each individual property assessment are displayed in the Replacement Cost Summary section of each property's Assessment Detail Report.



Property Assessment Detail Report
Assessment and Taxation

Account **99999999**

Edmonton

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Report Date	January 1, 2019
2019 Assessed Value	**$346,500**
Date of Issue	January 2, 2019
Property Address	10011 100 Street SW
Legal Description	Plan: 9999999 Block: 9 Lot: 99
Neighbourhood	Allard
Assessment Class	RESIDENTIAL
Land Use	100% Single-family, detached house
Zoning	RMD - Residential Mixed Dwelling Zone
Effective Zoning	RF4 - Semi-Detached Redevelopment District
Taxable Status	January 1 - December 31, 2019; FULLY TAXABLE
Unit of Measurement	IMPERIAL (feet, square feet)

Factors Used to Calculate Your 2019 Assessed Value

	MARKET VALUE APPROACH	DIRECT SALES
LAND		

Variable	Factor	Type
Actual zoning	RMD	Site
Lot size	5,055	Site
Lot shape	PIE SHAPE	Site
Water supply	YES	Site
Sanitary sewer	YES	Site
Storm sewer	YES	Site
Paving	YES	Site
Sidewalk / curb / gutter	YES	Site
Street lighting	YES	Site
	Land Value	**134,007**

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					MARKET VALUE APPROACH		COST
BUILDING 1: 2 STOREY WITH BASEMENT							
Condition	**Year Built/ Effective Year Built**	**Percent Complete**	**Quality**	**Gross Area**	**Replacement Cost New ($)**	**Depreciation ($)**	**Depreciated Replacement Cost New ($)**
Structure 1: SF. A.1940/SC/2STY BSMT							
Average	2018 /	60	Semi Custom	2,351.991	200,128	0	200,128
Structure 2: GARAGE/AV/ATTACHED							
Average	2018 /	60	Standard	479.070	12,544	0	12,544
						Building 1 Total	**212,672**

2019 Assessed Value Summary

Land Value	**$134,007**
Building Total	**$212,672**
Total Property Assessment	**$346,500**

Market Building Class

Quality

Structure 1: SF. A.1940/SC/2STY BSMT

Ranking system:
1 = main residential structure
2 & up = accessory buildings (ex: garage)

Method of classification indicating era of construction being after 1940 – does not indicate actual age

Land use category; possible codes are:
SF Single Family
OR Other Residential
COM Commercial
FL Farmland

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Revision History

February 21, 2019 - removed Provincial Quality Standards section

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Appendix

Zone Chart

Residential Zonings	
RF1	**Single Detached Residential Zone (s.110)** is to provide for single detached housing while allowing other forms of small scale housing
RSL	**Residential Small Lot Zone (s.115)** is to provide for smaller lot single detached housing with attached garages
RF2	**Low Density Infill Zone (s.120)** is to retain single detached housing, while allowing infill on narrow lots, uses include duplex housing
RPL	**Planned Lot Residential Zone (s.130)** is to provide for small lot single detached housing, serviced by both a public roadway and a lane
RF3	**Small Scale Infill Development Zone (s.140)** is to provide for single detached housing and semi-detached housing while allowing small-scale conversion and infill redevelopment to buildings containing up to four dwellings
RF4	**Semi-Detached Residential Zone (s.150)** is to provide a zone primarily for Semi-detached Housing and Duplex Housing
RMD	**Residential Mixed Dwelling Zone (s.155)** is to provide for a range of dwelling types and densities including single detached, semi-detached and row housing
RF5	**Row Housing Zone (s.160)** is to provide for relatively low to medium density housing, generally referred to as Row Housing
UCRH	**Urban Character Row Housing Zone (s.165)** is to provide for medium density Row Housing in a manner that is characteristic of urban settings and can include more intensive development
RF6	**Medium Density Multiple Family Zone (s.170)** is to provide for medium density housing, where some units may not be at Grade

Residential Zonings	
RA7	**Low Rise Apartment Zone (s.210)** provides for low rise apartment buildings
RA8	**Medium Rise Apartment Zone (s.220)** provides for medium rise apartment buildings
RA9	**High Rise Apartment Zone (s.230)** provides for high rise apartment buildings
RR	**Rural Residential Zone (s.240)** is to provide for single detached residential development of a permanent nature in a rural setting, generally without the provision of the full range of urban utility services
RMH	**Mobile Home Zone (s.250)** is to provide for Mobile Homes developed within a Mobile Home Park or Mobile Home Subdivision.

* For zonings not listed above, please see zoning bylaw

Measure Conversion Chart

Imperial to Metric – Length	Imperial to Metric – Area
1 inch (in) = **2.54** centimetres (cm)	**1** square foot (sqft) = **0.09290** square metre (m^2)
1 foot (ft) = **0.3048** metres (m)	**1** acre (ac) = **4,046.86** square metre (m^2)
Imperial Conversions	**1** acre (ac) = **0.40469** hectares (ha)
1 acre (ac) = **43,560** square feet (sqft)	**Metric Conversions**
1 square mile = **640** acres (ac)	**1** square kilometer (sq km) = **100** hectares (ha)
1 section = **640** acres (ac)	**1** hectare (ha) = **10,000** square metres (m^2)